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SUBCOMMITTEE ON REQUIREMENTS OF THE ECONOMIC INTELLIGENCE COMMITTEE

ANNUAL PROGRESS REPORT

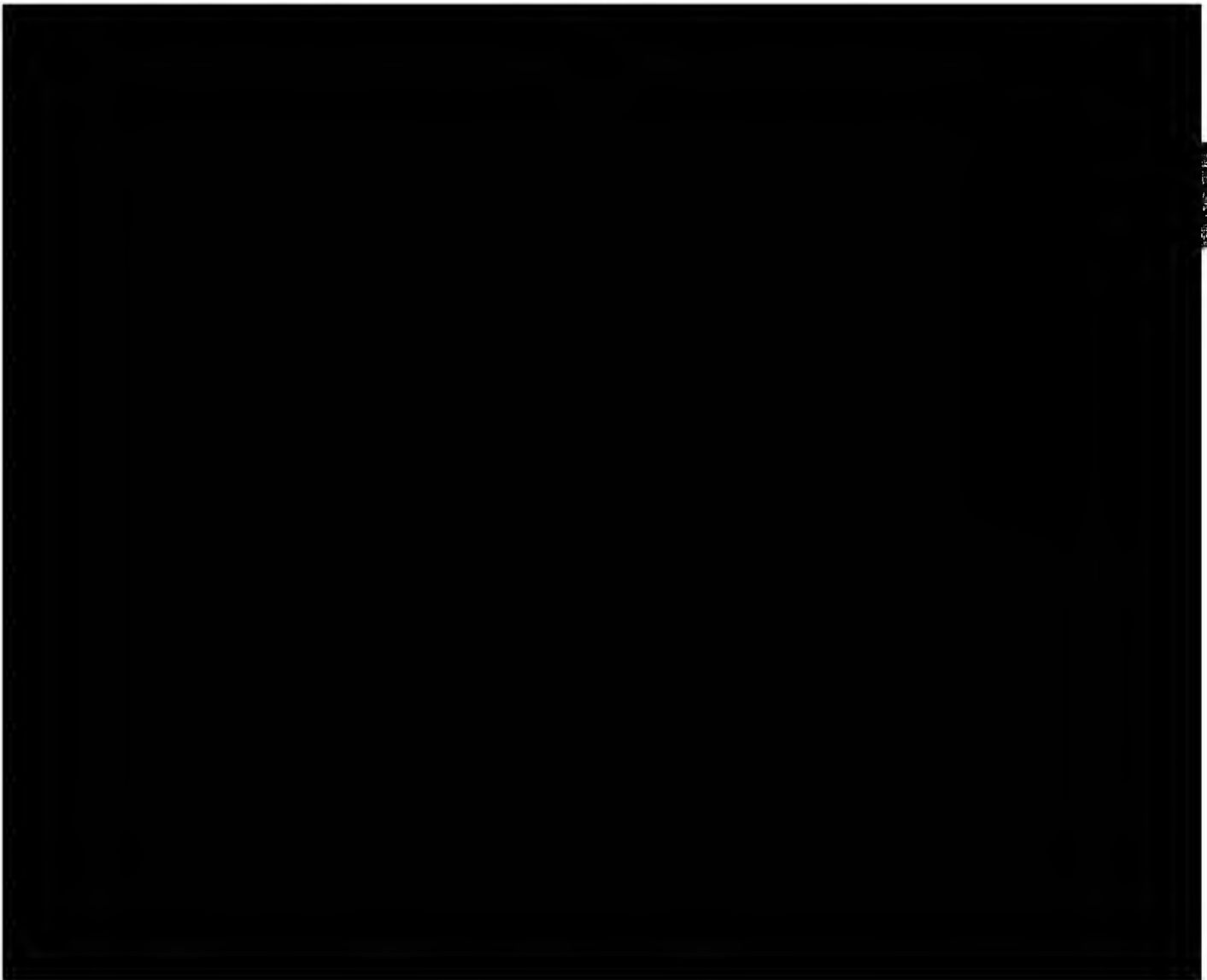
30 JUNE 1961

1. During the year ending 30 June 1961, the Subcommittee on Requirements of the Economic Intelligence Committee held one meeting, specifically to consider a Department of State draft instruction\* on operation of the [REDACTED]

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2. The accomplishments of the Subcommittee during the past year are expressed mainly through the activities and actions of two of the functions it maintains, as shown below:

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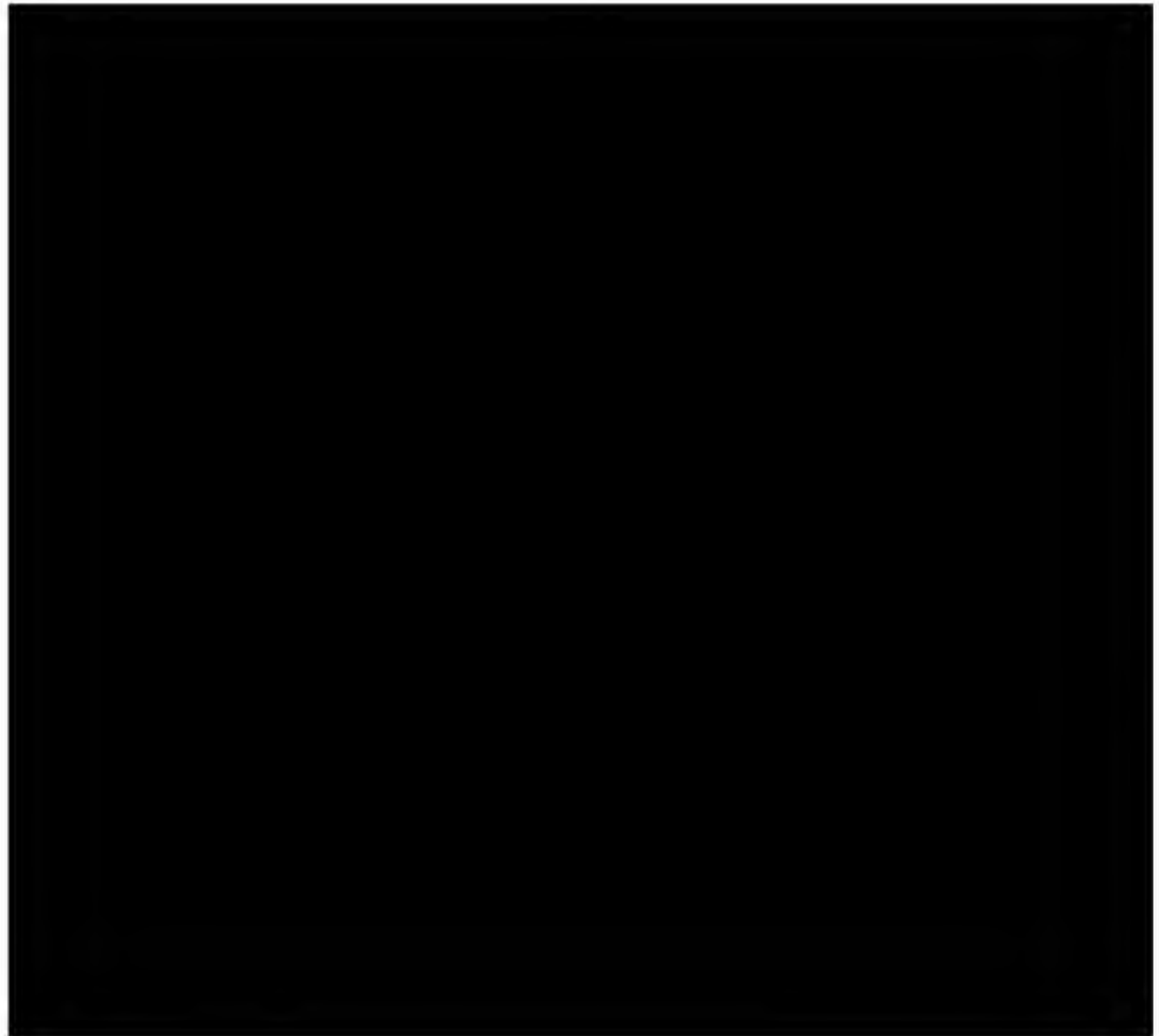


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b. Economic Reporting Guidance Program

ORR/CIA, in behalf of the EIC, continues its program of guidance to officers assigned to Bloc posts. The number of ORR evaluations of selected economic despatches from Bloc and peripheral posts has continued to average approximately 10 per month during the year. During the year ORR contributed to the Department of State's annual evaluation of intelligence reporting of an economic character (and to a lesser degree geographic reporting) from Moscow and all Satellite countries in which the US has diplomatic representation. The appraisals of specific despatches

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-3-

and the annual evaluations have reflected an appreciation of the high quality of reporting by economic reporting officers despite serious limitations imposed by the host countries.

Other facets of ERGP which have had a considerable influence on economic intelligence reporting have been:

a. Briefing and debriefing of Foreign Service Officers departing for Bloc assignments or recently returning from them.

b. The "Country Meetings" which have been developed by the Department as part of its broader reporting guidance program. The meetings have helped to bring together in a closer working relationship the State staff officers and the consumers of State reporting.

c. The program to provide to Bloc and peripheral posts copies of economic intelligence reports and guidance statements reflecting economic intelligence needs by economic activity.

d. Initiation by the Department of a program to provide annual comprehensive guidance statements, including major priority politico-economic needs, to Bloc and peripheral reporting posts.

e. Tailored requirements on economic developments in Bloc countries which can best be answered by economic reporting officers through personal observations, contacts and conversations and on-the-spot analysis of significant events.

f. Preparation for instituting by the Department of a formal CERP (Current Economic Reporting Program) for European Satellite posts and Moscow, limited in scope and directed particularly at the needs of CIA and the Department of State and Commerce as the major Washington users of economic reporting on the area.

3. Although there has been considerable activity surrounding certain specific interests of the Subcommittee, as described above, the Subcommittee itself has been relatively inactive during the reporting period. In view of this inactivity, not only during the past year but for the past several years, the Subcommittee plans to meet in the immediate future to consider the possibility of recommending its dissolution. During the past several years various departmental and Community operational coordinating mechanisms have been developed. These have altered the Subcommittee functions to the extent that there is a definite possibility that the Subcommittee no longer has sound reason for existing.

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